

House Democrats release latest budget plan

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The House Appropriations Committee meets to discuss several bills tied to House Democrats' most recent budget proposal, Monday, June 22, 2015, in Olympia, Wash. Lawmakers are trying to reach a budget agreement this week in order to avoid a partial government shutdown July 1. RACHEL LA CORTE — AP Photo

OLYMPIA, Wash. — As the clock ticks down on Washington state's second overtime legislative session, House Democrats released their latest budget proposal Monday, a plan that doesn't include any new taxes but looks for additional revenue through closing or limiting several tax exemptions.

The new plan comes days after Gov. Jay Inslee said that Democrats' plan for a new capital gains tax was off the table. Inslee said tax exemptions should be the compromise that the House and Senate consider in order to reach a budget agreement quickly and avoid a partial government shutdown.

The House Appropriations Committee held a public hearing Monday afternoon on the basic underlying budget, and a committee vote on it was scheduled for Tuesday. House Majority Leader Pat Sullivan said in a written statement that the base budget would put more money into the state's education system, as mandated by the state Supreme Court, and would pay for collective bargaining agreements and freeze tuition at state universities and colleges for one year.

This budget, however, is "designed to meet the very basic needs of the state and avoid a shutdown," Sullivan said. If only that budget alone is passed, it "merely keeps the lights on for another two years," he said.

Sullivan encouraged Senate Republicans to consider additional revenue from a secondary bill. That measure limits exemptions like the sales tax exemption for residents who live in states without a sales tax and repeals others, like the sales tax on bottled water and another on extracted fuel, to raise \$356.5 million for the next two year budget to help pay for things like teacher raises and to increase spending on early learning and higher education.

That measure also was heard on Monday before the Appropriations Committee. House Democrats have also proposed a bill that would delay full implementation of a voter-approved initiative to reduce class sizes.

Sullivan, D-Covington, wrote that the plan is a "go-home compromise solution that both sides can be happy with."

"Neither side gets everything they want, but both sides get something, and most important, will be doing right by the people of Washington," he wrote.

A message left with Senate Republican leaders was not returned.

The Democratic-controlled House and Republican-controlled Senate have been locked in budget negotiations for several weeks. They are currently in a second overtime legislative session after adjourning both a regular 105-day legislative session and a 30-day special session without reaching a deal on a two-year operating budget that is expected to be about \$38 billion. The current special session ends Saturday.

A new two-year budget must be signed into law by midnight June 30 or else dozens of state agencies and other offices would completely or partially close and more than 26,000 workers would be furloughed, according to the state Office of Financial Management. Most of those workers will receive notices on Tuesday.

Washington state has never had a government shutdown. But the Legislature has taken its budget talks to the brink before, including two years ago, when Inslee signed a budget on June 30.

Read more here: <http://www.thenewstribune.com/2015/06/22/3852318/house-democrats-release-latest.html#storylink=cpy>